

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**THROUGH:** Brandon Opiela, Senior Planner

**FROM:** Abra R. Nusser, Planner

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on the Request by Petsche & Associates, Inc., on Behalf of Blue Star Land, L.P. and 206 McKinney, L.L.C., for Approval of a Request to Zone Approximately 238.92 Acres, Planning Area 17, to “PD” – Planned Development District, Generally for Single Family Residential, Retail, Elementary School, and Open Space Uses, Located on the Southeast Corner of U.S. Highway 380 (University Drive) and Coit Road.

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the December 7, 2010 meeting.

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**STAFF RECOMMENDATION:** Staff recommends approval of the proposed zoning request with the following special ordinance provisions:

1. The subject property shall develop according to “PD” – Planned Development District No. 1621, and as amended, except as follows:
  - a. The subject property shall generally develop according to the attached Zoning Exhibits “A”, “B”, “C”, and “D”.
  - b. The side yard setback for lots within Parcel 1705 shall be a minimum of five feet.
  - c. The total exterior wall area shall not be less than one-hundred percent (100%) masonry on the front (excluding exterior wall areas built on top of a roof) and all other exterior wall areas shall total no less than seventy-five percent (75%) masonry beneath the top plate line on the sides (including side at corner) and rear of each residence. Masonry shall be defined as brick, stone, or synthetic stone material as provided for in Chapter 146-139 Architectural and Site Standards of the City of McKinney Zoning Ordinance.

**APPLICATION SUBMITTAL DATE:** June 28, 2010 (Original Application)  
August 27, 2010 (Revised Submittal)  
October 11, 2010 (Revised Submittal)  
October 15, 2010 (Revised Submittal)

**ITEM SUMMARY:** The applicant is proposing to zone approximately 238.92 acres of land, located on the southeast corner of U.S. Highway 380 (University Drive) and Coit Road to “PD” – Planned Development District, generally for single family residential, retail, elementary school, and open space uses. The planned development district that the applicant is proposing to join contains 16 planning areas, 10 within Stonebridge Ranch and six within Custer West. The subject property would become Planning Area 17 within the Custer West Master Development Agreement. The proposed plan is consistent with other developed areas within the Custer West development.

The applicant has submitted this zoning request in conjunction with a petition for annexation for the subject property (10-063A). In accordance with the Texas Local Government Code, the petition for annexation only requires approval by the City Council, and therefore, the first two public hearings for the associated annexation will be held at a special City Council meeting and then at the regular City Council meeting, both on November 2, 2010. The third and final public hearing for the associated annexation will be held concurrently with the proposed zoning request and associated development agreement at the December 7, 2010 City Council meeting. Should the subject property not be annexed by the City Council, the applicant would not be required to obtain zoning and may be permitted to move forward with development plans for the subject property, in accordance with the Subdivision Ordinance of the City of McKinney.

As mentioned above, Staff and the applicant are working on a second amendment to the existing Custer West Development Agreement dealing with the timing and provision of public services and infrastructure associated with the proposed annexation. The terms of the amended agreement will ensure that the appropriate infrastructure is in place for both the residential component and retail component, setting the stage for expedient development of the property.

**ZONING NOTIFICATION SIGNS:** The applicant has posted zoning notification signs on the subject property, as specified within Section 146-164 of the City of McKinney Zoning Ordinance.

**SURROUNDING ZONING AND LAND USES:**

Subject Property: Currently Unincorporated (City of McKinney “ETJ” – Extraterritorial Jurisdiction)—No Zoning is Applicable

North	City of Prosper (No City of McKinney Zoning is Applicable)	Undeveloped Land and Single Family Residential Home
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South	“PD” – Planned Development District Ordinance No. 2006-04-044 (Single Family Residential, Retail, Elementary School, and Open Space Uses)	Future Residential Subdivision (Planning Area 15)
East	City of Frisco (No City of McKinney Zoning is Applicable)	Red Bud Estates Residential Subdivision
West	City of Frisco (No City of McKinney Zoning is Applicable)	Undeveloped Land

**PROPOSED ZONING:** The applicant is requesting to zone the subject property to “PD” – Planned Development District generally for single family residential, retail, elementary school, and open space uses. Should the proposed zoning request be approved, the subject property will be incorporated into “PD” – Planned Development Ordinance No. 1621, and as amended, which is the governing PD for Stonebridge Ranch and Custer West. The subject property is located within two modules on the Future Land Use Modules Diagram of the Comprehensive Plan; Suburban Mix (southern one-third) and Regional Commercial (northern two-thirds).

*Regional Commercial Module:*

Regional Commercial modules are an area of large scale commercial development providing for retail and service uses on a regional level. The module designates land for intense retail and office uses and provides opportunities for high-traffic generators, such as entertainment and lodging uses. These intense retail and office modules provide a fiscal benefit to the community, bringing in property tax and sales tax revenue to the City and the school districts. Approximately 49 acres of land have been designated for retail uses and approximately 75 acres have been designated for low density single family residential within the regional commercial module at the southeast corner of Coit Road and U.S. Highway 380.

The commercial uses have a positive fiscal impact on the City, as the cost of City services they demand is less than the tax revenue they generate. Significant shopping opportunities give local consumers more choices and options and provide convenient access to goods and services that would otherwise require a trip outside the City. Large scale commercial development in this module provides a quality of life benefit to residents, helps attract larger employers, and brings in customers from outside the City.

*Suburban Mix Module:*

The Suburban Mix Module promotes a neighborhood setting with single family detached houses as its primary development type. The Comprehensive Plan explains that while McKinney features areas for lower density housing (e.g. Estate Mix) and higher density housing (Town Center and Regional Employment Center), the Suburban Mix modules provide housing for the majority of all citizens, and provides significant opportunities for owner-occupied housing on medium sized lots with convenient access to the frequently needed retail uses.

Within the Suburban Mix module, the Comprehensive Plan states that single family residential uses should generally maintain a mean and median lot size of a minimum of 7,200 square feet. The applicant has proposed a concept site plan (Exhibit B) for the residential uses that provides a mean lot size of 7,615 square feet and a median lot size of 7,020 square feet. These calculations ensure a certain desired density for residential development within the suburban mix module.

The Comprehensive Plan also indicates that densities within the module shall generally be 3.2 to 3.4 dwelling units per gross acre of residential property, exclusive of areas of floodplain, erosion hazard setbacks, and lakes. The attached Master Plan Matrix (Exhibit D) for the subject property proposes 21.25 acres of SF-1 residential (minimum 7,200 square foot lots) and 121.16 acres of SF-2 residential (minimum 5,500 square foot lots). The proposed average density across all of the proposed residential tracts is 4.04 dwelling units per gross acre with a maximum of 576 dwelling units. Although the proposed density is higher than what is recommended by the Comprehensive Plan, the applicant has exceeded the minimum mean lot size (7,200 square feet vs. 7,615 square feet) with a slightly lower than the minimum median lot size (7,200 square feet vs. 7,020 square feet). The applicant has also complied with several "Design for Density" criteria that projects can utilize to gain additional density within the module (allowing for increases from 3.2 dwelling units per acre to 3.4 dwelling units per acre) as stated below:

- Curvilinear streets should be used rather than a modified grid pattern.
- Usable open space should be centrally located throughout the neighborhood to serve as an amenity for all residents.
- Cul-de-sacs should not be perfectly round, rather they should be more elliptical (tear drop) and off center.

The design and density the applicant is proposing is similar to the development pattern that currently exists within Custer West. The Custer West development was initially zoned in 2001 and was designed to develop much differently than what would be allowed presently under the Comprehensive Plan's criteria which was adopted in 2004. The Comprehensive Plan has incorporated density and design criteria that were not utilized prior to its adoption.

The applicant is proposing 12.88 acres of land for an elementary school located within the Prosper Independent School District. They have also proposed 15.7 acres of parkland to be dedicated to the City, and provided a total of 19.2 acres of open space/detention area interspersed between the residential tracts, creating smaller distinct neighborhoods. The applicant has shown a Hike and Bike Trail on the attached general development plan along the proposed collector road starting at the park site, heading south by the elementary school site, out to Coit Road to the west.

The following special ordinance provisions are being proposed for the subject property:

1. The subject property be zoned “PD” – Planned Development District and the following special ordinance provisions shall be applicable:

a. The subject property shall generally develop according to the attached zoning exhibits.

- The attached Concept Site Plan (Exhibit B) shows how Planning Area 17 will generally develop. At the time the property is platted, Staff will review the plat to ensure the lot layout and street pattern generally conform to the Concept Site Plan.
- The attached General Development Plan (Exhibit C) proposes that the subject property be divided into 13 tracts with five different zoning designations (R-2, SF-1, SF-2, ES, and Park and OS) within the requested planned development district. The proposed zoning designations are consistent with “PD” – Planned Development District Ordinance No. 1621, and as amended. The following table lists the proposed zoning designations and the gross acreages of each for the subject property as detailed on the attached general development plan:

<b>Zoning Designation</b>	<b>Proposed Acreage</b>
SF-1 (residential: minimum lot size 7,200 square feet)	21.25 acres (80 Lots)
SF-2 (residential: minimum lot size 5,500 square feet)	121.16 acres (496 Lots)
R-2 (retail)	48.71 acres
ES (elementary school)	12.88 acres
Park	15.70 acres
OS (open space / detention)	19.20 acres

- The attached Development Standards Matrix (Exhibit D) stipulates standards and details for each proposed tract such as acreage, zoning classification, space limits, and maximum dwelling units per tract. The proposed exhibit will regulate each tracts development, subsequent plats and plans must conform to the standards as specified.

b. The side yard setback for lots within Parcel 1705 shall be a minimum of five feet.

- The applicant is requesting to modify the side yard setback for the proposed SF-1 lots, from 10% of the lot width (a 60’ wide lot would

have a 6' foot side yard) to 5'. Staff is comfortable with the modification, as the request allows the applicant to utilize a consistent building footprint on all of the 60' wide lots within the subject property.

- c. The total exterior wall area shall not be less than one-hundred percent (100%) masonry on the front (excluding exterior wall areas built on top of a roof) and all other exterior wall areas shall total no less than seventy-five percent (75%) masonry beneath the top plate line on the sides (including side at corner) and rear of each residence. Masonry shall be defined as brick, stone, or synthetic stone material as provided for in Chapter 146-139 Architectural and Site Standards of the City of McKinney Zoning Ordinance.
  - Staff has worked with the applicant to provide architectural standards for the residential homes proposed on the subject property. Although the City's architectural standards ordinances do not currently regulate finishing material for single family residential uses, the applicant has agreed that providing 100% masonry on the front face of the structures with no less than 75% masonry total on the back and sides of the first floor of each structure.

Staff believes that the proposed zoning request is both appropriate and compatible with the surrounding properties and feels that the development will have a positive impact on the surrounding area and the City as a whole. Approval of this zoning request will stimulate development through the provision of infrastructure in the area and will provide for a significant amount of commercial development along one of our highway corridors. In addition, the development will provide neighborhoods with a school and park site and significant open space that will be incorporated into the already successful planned developments of Stonebridge Ranch and Custer West. Therefore, Staff recommends approval of the proposed zoning request.

**ACCESS/CIRCULATION:** Coit Road and U.S. Highway 380 (University Drive) are immediately adjacent to the subject property. A primary collector has been shown on the proposed zoning exhibit intersecting both Coit Road and U.S. Highway 380 (University Drive). The exact alignment of residential streets and their circulation patterns will be determined at the time of platting and shall be in conformance with the City of McKinney's Subdivision Ordinance and the Street Design Manual. The attached general development plan and concept site plan propose drive locations off of U.S. Highway 380 and Coit Road. The adjacent developments in the Cities of Prosper and Frisco will need to continue to coordinate with the applicant and vice versa to ensure that all drive locations and intersections are aligned appropriately. Should adjacent developments finalize plans that do not correspond with the exhibits attached, the general development plan and concept site plan may need to be adjusted slightly to accomplish this objective.

**CONFORMANCE TO THE COMPREHENSIVE PLAN:** The Future Land Use Plan (FLUP) designates the subject property for commercial, office, floodplain, and low density residential uses. The FLUP Modules Diagram designates the northern two-thirds of the subject property as regional commercial within an undeveloped area and the southern one-third as suburban mix within a significantly developed area. The Comprehensive Plan lists factors to be considered when a zoning is being considered within either a significantly developed or undeveloped area:

- **Comprehensive Plan Goals and Objectives:** The proposed zoning request is generally in conformance with the goals and objectives of the Comprehensive Plan. In particular, the proposed zoning change would help the community attain the goal of “Economic Development Vitality for a Sustainable and Affordable Community” through the stated objective of the Comprehensive Plan, a “balanced development pattern.” Another goal of the Comprehensive Plan is accomplished through “Land Use Compatibility and Mix” by creating a “mix of land uses that provides for various lifestyle choices.”
- **Conformance with Desired Land Use Mix:** The proposed 49 acres of commercial zoning (R-2) on the northwest corner of the subject property is within the allowable percentages for the land use in this module, as shown on the attached module tracking spreadsheet. The applicant is also proposing approximately 75 acres of single family residential development which is not called for in the regional commercial module. While the single family uses are utilizing a portion of the property designated as regional commercial, the proposed 49 acres of retail/commercial uses would still allow for a significant amount of commercial development at the corner of a major regional highway and major arterial roadway.
- **Locational Criteria:** Per the Comprehensive Plan, the suburban mix and regional commercial modules establish a list of locational criteria to be completed in the final design stages; many of which have already been provided in the preliminary plans as stated below:
  - Parks should be developed in areas to preserve existing trees, wetlands, or natural habitat. Parks should also work in conjunction with school sites and be accessible by pedestrians, bicycles, and public streets.
  - Open space should be used as an amenity for surrounding development. Many times the open space takes the form of a floodplain, wetlands, or stands of existing trees. This integration can occur in many ways—a common method is to have a road front the open space providing a public view, access, or “front-door” to the amenity.
  - Sidewalks and Hike & Bike Trails should be provided to accommodate pedestrians and bicyclists on both sides of public streets.

- Public facilities should allow pedestrian linkages to and from public facilities and the adjacent development.
- Impact on Infrastructure: The proposed zoning request should not have a significant impact on the existing water, sewer and thoroughfares in the area as the planned infrastructure should adequately serve the proposed mix of uses. Staff is working with the applicant on a development agreement addressing the timing and provision of public infrastructure to and through the site.
- Impact on Public Facilities/Services: The proposed 576 single family units would have a significant impact on public services, such as schools, fire and police, libraries, parks and sanitation services, compared to commercial uses. The applicant has planned for an elementary school site to be located within the development to help mitigate some of the potential impact. Additional public facilities and services may be required to accommodate the proposed development.
- Compatibility with Existing and Potential Adjacent Land Uses: The proposed zoning request should not result in an over concentration of single family residential, retail, elementary school, park and open space uses. The property located to the south of the subject property is zoned for single family residential uses. The property located to the north and west is undeveloped. The property to the east is developed as a single family residential subdivision (Red Bud Estates). Staff feels the proposed zoning request will be compatible with existing and potential adjacent land uses.
- Fiscal Analysis: The attached fiscal analysis shows a positive net cost benefit using the expansion method of \$1,458,940. The expansion method of calculating public service cost is used for project specific cost of service. This method is used to determine the cost to provide city services to a specific development project. It takes into account only those costs directly attributable to that project and, therefore, is a good measure of the impact of a single zoning decision.

The full cost method also shows a positive net cost benefit of \$1,058,823. The full cost method of calculating public service cost is useful for citywide modeling and forecasting. This method takes the entire city budget into account, including those costs that cannot be attributed to any one project such as administrative costs and debt service on municipal bonds. Because the full cost method takes into account all costs, it is useful in tracking the city budget to determine if the citywide tax revenue is sufficient to pay for the operating costs to the city.

These numbers are based on a total of 48.71 acres of retail use and 142.41 acres of single family residential use.

**OPPOSITION TO OR SUPPORT OF REQUEST:** Staff has received no comments or phone calls in support of or opposition to this request.

**ATTACHMENTS:**

- Location Map
- Aerial Exhibit
- Letter of Intent
- Property Owner Notice
- Property Owner Notification List
- Fiscal Analysis
- Module Tracking Spreadsheet
- Proposed Zoning Exhibit A – Legal Description
- Proposed Zoning Exhibit B – Concept Site Plan for Planning Area 17
- Proposed Zoning Exhibit C – Master General Development Plan for Custer West
- Proposed Zoning Exhibit D – Proposed Planning Area 17 Development Standards Matrix
- Planning and Zoning Commission PowerPoint Presentation

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**Action:**